

MORTGAGE LOAN DISCLOSURE STATEMENT (BORROWER)

RE 882 (Rev. ~~10/05~~1/08)

Name of Broker	Business Address
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I. SUMMARY OF LOAN TERMS

A. PRINCIPAL AMOUNT

\$

B. ESTIMATED DEDUCTIONS FROM PRINCIPAL AMOUNT

1. Costs and Expenses (See Paragraph III-A)

\$

*2. Broker Commission/Origination Fee (See Paragraph III-B)

\$

3. Lender Origination Fee/Discounts (See Paragraph III-B)

\$

4. Additional compensation will/may be received from lender not deducted from loan proceeds.

☐ YES

\$

(if known)

☐ NO

5. Amount to be Paid on Authorization of Borrower (See Paragraph III-C)

\$

C. ESTIMATED CASH PAYABLE TO BORROWER (A LESS B)

\$

II. GENERAL INFORMATION ABOUT LOAN

A. If this loan is made, borrower will be required to pay the principal and interest at % per year, payable as follows:

(number of payments) (monthly, quarterly, annual) payments of \$

and a FINAL/BALLOON payment of \$ to pay off the loan in full.

A. PROPOSED LOAN INFORMATION

1. Proposed loan term

☐ Years

☐ Months

☐ FIXED RATE LOAN

Fixed rate loan % payable at \$ month

☐ INITIAL FIXED RATE (EXAMPLE 2/28; 3/1; 5/1)

Proposed initial fixed interest rate: %

Initial fixed interest rate in effect for months

Proposed initial monthly payment \$

Variable (adjustable) interest rate of % will begin after

fixed rate period ends

Monthly payment can increase to \$ after fixed rate period ends

Interest rate can increase % each months

Monthly maximum payment can increase to \$ after initial

fixed rate period ends

Maximum loan payment can be \$ after months

☐ ADJUSTABLE RATE LOAN (EXAMPLE 6-MONTH ARM; 1-YEAR ARM)

Proposed interest rate: %

Fully indexed rate %

Proposed monthly payment \$

Maximum interest rate %

Interest rate can increase % each months

Maximum loan payment can be \$ after months

☐ INITIAL ADJUSTABLE RATE LOAN (EXAMPLE LOW ENTRY RATE ARM)

Proposed intial (adjustable) interest rate %

Initial interest rate in effect for months

Proposed monthly payment \$

Fully indexed rate %

Maximum interest rate %

Interest rate can increase % each months

Monthly maximum payment can increase to \$ after initial

adjustable rate period ends

Maximum loan payment can be \$ after months

2. This loan is based on limited or no documentation of your income and/or assets and may have a higher interest rate, or more points or fees than other products requiring documentation:

☐ No

☐ Yes.

3. The loan is subject to a balloon payment:

☐ No

☐ Yes. If Yes, the following paragraph applies and a final balloon payment of \$ will be due on / / [estimated date (day/month/year)].

NOTICE TO BORROWER: IF YOU DO NOT HAVE THE FUNDS TO PAY THE BALLOON PAYMENT WHEN IT COMES DUE, YOU MAY HAVE TO OBTAIN A NEW LOAN AGAINST YOUR PROPERTY TO MAKE THE BALLOON PAYMENT. IN THAT CASE, YOU MAY AGAIN HAVE TO PAY COMMISSIONS, FEES AND EXPENSES FOR THE ARRANGING OF THE NEW LOAN. IN ADDITION, IF YOU ARE UNABLE TO MAKE THE MONTHLY PAYMENTS OR THE BALLOON PAYMENT, YOU MAY LOSE THE PROPERTY AND ALL OF YOUR EQUITY THROUGH FORECLOSURE. KEEP THIS IN MIND IN DECIDING UPON THE AMOUNT AND TERMS OF THIS LOAN.

B. This loan will be evidenced by a promissory note and secured by a deed of trust on property identified as (street address or legal description):

C. 1. Liens presently against this property (do not include loan being applied for):

Nature of Lien	Priority	Lienholder's Name	Amount Owing

2. Liens that will remain against this property after the loan being applied for is made or arranged (include loan being applied for):

Nature of Lien	Priority	Lienholder's Name	Amount Owing

NOTICE TO BORROWER: Be sure that you state the amount of all liens as accurately as possible. If you contract with the broker to arrange this loan, but it cannot be arranged because you did not state these liens correctly, you may be liable to pay commissions, fees and expenses even though you do not obtain the loan.

Borrower hereby acknowledges the receipt of a copy of this statement. *Dated* _____

Borrower _____ *Borrower*

BROKER REVIEW

Signature of real estate broker after review of this statement as required by Section 2725 of the Real Estate Commissioner’s Regulations:

Dated _____ *Real Estate Broker or Designated Representative*

Department of Real Estate license information telephone number: (916) 227-0931, or check license status at www.dre.ca.gov

Article 7 Compliance: If this loan is secured by a first deed of trust on dwellings in a principal amount of less than \$30,000 or secured by a junior lien on dwellings in a principal amount of less than \$20,000, the undersigned licensee certifies that the loan will be made in compliance with Article 7 of Chapter 3 of the Real Estate Law.

➤*This loan may/will/will not (*delete two*) be made wholly or in part from broker-controlled funds as defined in Section 10241(j) of the Business and Professions Code.

IV. NOTICES TO BORROWER:

- *1. This disclosure statement may be used if the broker is acting as an agent in arranging the loan by a third person or if the loan will be made with funds owned or controlled by the broker. If the broker indicates in the above statement that the loan “may” be made out of broker-controlled funds, the broker must notify the borrower prior to the close of escrow if the funds to be received by the borrower are in fact broker-controlled funds.
- 2. THIS IS NOT A LOAN COMMITMENT. Do not sign this statement until you have read and understood all of the information in it. All parts of this form must be completed before you sign. Borrower hereby acknowledges the receipt of a copy of this statement.

<i>Name of Broker</i>	<i>License #</i>	<i>Broker’s Representative</i>	<i>License #</i>
<i>Broker’s Address</i>			
<i>Signature of Broker</i>	<i>Date</i>	OR <i>Signature of Representative</i>	<i>Date</i>
<i>Borrower</i>	<i>Date</i>	<i>Borrower</i>	<i>Date</i>

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